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# GOLDALE LIMITED

## *Annual Report*



*For the Year Ending December 31st, 1964*



# GOLDALE LIMITED

## *1964 Annual Report*

### OFFICERS

K. A. ROBERTS	-	-	-	-	-	-	-	-	-	<i>President and General Manager</i>
C. F. WATSON	-	-	-	-	-	-	-	-	-	<i>Vice-President</i>
P. C. FINLAY, Q.C.	-	-	-	-	-	-	-	-	-	<i>Secretary-Treasurer</i>

### DIRECTORS

K. A. ROBERTS	-	-	-	-	-	-	-	-	-	-	Toronto
C. F. WATSON	-	-	-	-	-	-	-	-	-	-	Brampton
P. C. FINLAY, Q.C.	-	-	-	-	-	-	-	-	-	-	Toronto
W. H. GILLELAND	-	-	-	-	-	-	-	-	-	-	Toronto
E. J. HENWOOD	-	-	-	-	-	-	-	-	-	-	Toronto

### SOLICITORS

HOLDEN, MURDOCH, WALTON, FINLAY, ROBINSON & PEPALL  
2402 Bank of Nova Scotia Building  
Toronto, Ontario

### AUDITORS

EDDIS AND ASSOCIATES  
Toronto, Ontario

### REGISTRAR AND TRANSFER AGENT

EASTERN & CHARTERED TRUST COMPANY  
Toronto, Ontario

### HEAD OFFICE

2402 Bank of Nova Scotia Building  
44 King Street West  
Toronto, Ontario



# GOLDALE LIMITED

2402 Bank of Nova Scotia Building  
44 King Street West  
TORONTO 1, ONTARIO

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## TO THE SHAREHOLDERS:

Your Directors submit herewith the Balance Sheet of your Company as at December 31, 1964, together with Statement of Profit and Loss and Statement of Deficit for the year ended December 31, 1964, and the Auditors' Report.

You will note that as of December 31, 1964, in addition to cash in bank of \$218,182.89 and the other assets set forth therein, your Company held marketable securities having a market value of \$1,329,172.00, which securities include 19,378 shares of Noranda Mines Limited.

Pursuant to an Agreement dated November 25th, 1964, (which Agreement was approved at a General Meeting of the Shareholders of your Company held on December 30th, 1964) on December 31, 1964, your Company completed the sale to Peel Village Developments Limited of all the issued and outstanding preference and common shares of Peel Village Homes Limited upon the terms and conditions set forth in Note 2 to the enclosed Financial Statements.

During 1964, preliminary exploration work was done on a 20-claim group in Courville Township, Province of Quebec, held under a working option agreement by your Company, which option is still in good standing. A program of surface and geophysical work is being planned for the 160-acre property in Murphy Township owned by your Company, and on the 11-claim group in Evelyn Township staked by your Company, which properties are located in the Porcupine Mining Area of the Province of Ontario.

Your Company intends to continue active prospecting and to examine worthwhile mining properties with a view to acquisition or investment therein.

On March 8th, 1965, your Company caused a wholly-owned subsidiary to be incorporated under the name of Goldale Acceptance Limited, and intends to incorporate a further wholly-owned subsidiary. Your Company proposes to furnish money to each of these subsidiaries, which will carry on the businesses of an acceptance company and a small loans company respectively.

As set forth in the Notice calling the Meeting, one of the purposes is to consider and, if deemed advisable, to confirm Special Resolution Number 2 passed



by the Board of Directors, which Resolution authorizes an application for Supplementary Letters Patent altering the authorized capital of the Company and changing its corporate name. A copy of the Resolution forms part of the Notice calling the Meeting.

As you will note, the Company proposes to have a "reverse" split of its shares on the basis of ten shares of the old Company for one share of the new Company.

Your Directors are of the opinion that this "reverse" split will be advantageous to the Company. Although there is no assurance that the market price of the Company's new shares will increase tenfold or by any definite amount by reason of the "reverse" split, it is reasonable to expect that such price would be substantially increased with the accompanying increase in the stature of the Company's securities in financial circles, and that higher price levels for the shares would tend to increase their acceptance as collateral for loans by banks and other lending institutions. Furthermore, it is the opinion of the Directors that if the Company's capital stock achieves and maintains a higher price range, a reduction in speculative interest in the shares will result in more stable ownership.

The reorganization will entail a certain amount of expense, such as the printing and exchange of new share certificates for old, etc., but there will be a saving in Registrar and Transfer Agent's expenses, since the number of shares selling at a higher price should involve substantially less transfer work and fewer share certificates.

You will note that the name of your Company is to be changed from Goldale Limited to Canadian Goldale Corporation Limited. In view of the change in capitalization, it is advisable and necessary to change the name of your Company to avoid confusion between the old shares and the new shares.

Your Directors, therefore, recommend the confirmation of Special Resolution Number 2.

This letter and the accompanying Notice of General and Annual Meeting of Shareholders and Form of Proxy, together with the Annual Report, are being forwarded to all Shareholders of the Company.

On behalf of the Board,

K. A. ROBERTS,  
*President.*

Toronto, Ontario,  
May 21st, 1965.

# GOLDALE

## Balance Sheet

### ASSETS

#### CURRENT:

Cash .....	\$218,182.89	
Accounts receivable .....	4,191.76	
Marketable securities, at cost (quoted market value \$1,329,172.00) .....	601,268.20	\$ 823,642.85
Investment in shares of other companies (unlisted or escrowed) .....		59,206.97
Due from Peel Village Developments Limited (Note 2) .....		100,000.00
Loan to Peel Village Homes Limited (Note 2) .....		75,000.00

#### MINING PROPERTIES, AT COST:

Patented mining claims — Tisdale Township, Ontario .....	275,096.17	
Mining claims — Murphy Township, Ontario .....	5,006.18	
Broken lot 5, Concession 1 — Hindon Township, Ontario .....	1.00	
Mining claims — Courville Township, Quebec .....	5,140.00	
Mining claims — Duprat Township, Quebec .....	21.00	
Mining claims — Evelyn Township, Ontario .....	2,060.50	287,324.85

#### OTHER:

Sundry accounts receivable .....	4,035.00	
		<u>\$ 1,349,209.67</u>

Approved on behalf of the Board:

P. C. FINLAY, Director.

K. A. ROBERTS, Director.

### AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the Balance Sheet of Goldale Limited as at December 31, 1964, and the Statements of Profit and Loss and Deficit for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

We report that, in our opinion, the above Balance Sheet and accompanying Statements of Profit and Loss and Deficit present fairly the financial position of the company as at December 31, 1964, and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada,  
January 22, 1965.

EDDIS & ASSOCIATES,  
Chartered Accountants.



# LIMITED

December 31, 1964

## LIABILITIES

### CURRENT:

Accounts payable and accrued charges ..... \$ 21,012.52

### CAPITAL STOCK:

#### Authorized:

5,000,000 shares of no par value —  
consideration not to exceed ..... \$ 4,000,000.00

#### Issued and fully paid:

3,000,000 shares as at January 1, 1964 ..... \$ 1,953,846.18

356,800 shares since issued for net assets of Dupel Mines  
Limited and Belfast Mines Limited ..... 124,880.00

3,356,800 shares (total) for ..... 2,078,726.18

Deficit ..... 750,529.03 1,328,197.15

The attached Notes are an integral part of these Financial Statements and should  
be read in conjunction therewith.

\$ 1,349,209.67

## NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 1964

- Goldale Limited has guaranteed a bank loan of up to \$500,000.00 for Peel Village Homes Limited and has deposited certain of its securities as collateral.
- Under the terms of an agreement dated November 25, 1964, the company sold to Peel Village Developments Limited 56,000 preference shares and 2,000 common shares of Peel Village Homes Limited (being all the issued and outstanding preference and common shares other than the five Directors' qualifying shares of that company) in consideration of the following:
  - The sum of \$158,000.00 payable by Peel Village Developments Limited as follows:
    - \$58,000.00 on December 31, 1964 (received)
    - \$25,000.00 on or before March 31, 1965
    - 25,000.00 on or before June 30, 1965
    - 25,000.00 on or before September 30, 1965
    - 25,000.00 on or before December 31, 1965
  - Peel Village Developments Limited to cause Peel Village Homes Limited to repay, not later than June 30, 1965, its indebtedness to Goldale Limited in the amount of \$75,000.00; and
  - Peel Village Developments Limited to indemnify Goldale Limited for any liability incurred by Goldale Limited under its guarantee of the bank loan of Peel Village Homes Limited, and Peel Village Developments Limited to obtain by December 31, 1965 a complete release of the guarantee given by Goldale Limited to the bank in connection with the aforesaid bank loan.

# GOLDALE LIMITED

## *Statement of Profit and Loss*

For the Year Ended December 31, 1964

### REVENUE:

Dividends .....	\$ 32,107.36	
Interest .....	9,735.93	\$ 41,843.29

### EXPENDITURE:

Administrative expenses, including legal, secretarial, transfer and audit fees .....	12,835.39	
Taxes on property .....	1,285.05	14,120.44
Net profit for the year .....		<u>\$ 27,722.85</u>

## *Statement of Deficit*

For the Year Ended December 31, 1964

Balance — January 1, 1964 ..... \$871,018.90

### Add:

Investment in shares of unlisted mining company written down to a nominal value .....	21,357.98
	<u>892,376.88</u>

### Less:

Net profit for the year .....	\$ 27,722.85	
Profit on sale of investments .....	114,125.00	141,847.85
Balance — December 31, 1964 .....		<u>\$750,529.03</u>